

## Message Text

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ACTION SCI-06

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SUBJECT: STATUS OF SPECIAL FOREIGN CURRENCY COLLABORATIVE  
SCIENTIFIC RESEARCH PROGRAM

SUMMARY: THE SPECIAL FOREIGN CURRENCY COLLABORATIVE RESEARCH PROGRAM HAS BEEN ACTIVE IN INDIA FOR 14 YEARS CONSTITUTING APPROXIMATELY 1000 RESEARCH PROJECTS AND NUMEROUS EXCHANGES OF SCIENTIFIC EXPERTS SUPPORTED WITH US OWNED RUPEES. THE TANGIBLE BENEFITS DERIVED FROM THIS PROGRAM FOR THE US HAVE BEEN SUBSTANTIAL. AFTER A HIATUS OF TWO YEARS INDICATIONS ARE THAT NEW RESEARCH PROJECTS WILL BE APPROVED IN SELECTED RESEARCH AREAS OF MUTUAL INTEREST. SUMMARY ENDS.

1. THERE ARE 272 SFC RESEARCH PROJECTS AMOUNTING TO RS. 156,890,000 (DOLS 20,640,000) NOW ACTIVE IN INDIA. THESE PROJECTS ENCOMPASS THE BROAD FIELDS OF AGRICULTURE, HEALTH AND BIOMEDICINE, SOCIAL SCIENCE AND REHABILITATION AND PHYSICAL SCIENCES. MOST PROJECTS ARE APPROVED FOR 3 TO 5 YEARS BUT IN SOME CASES HAVE CONTINUED FOR AS LONG AS 10 YEARS WITH 2 OR 3 RENEWALS. ALL THESE PROJECTS HAVE RECEIVED GOI APPROVAL PRIOR TO JULY 1972 (GOI CUT OFF DATE FOR NEW SFC PROJECTS), HOWEVER, SOME WERE INITIATED AFTER THAT DATE BECAUSE OF ACTION BY US AGENCIES IN APPROVING THEIR FUNDING.

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2. AFTER INITIALING OF THE RUPEE AGREEMENT IN DECEMBER, 1973,

WE TURNED OVER 70 ADDITIONAL SFC RESEARCH PROPOSALS TO THE MINISTRY OF FINANCE (MOF) REQUESTING CLEARANCE. THESE RESEARCH PROJECTS HAD RECEIVED PRIOR APPROVAL BY THE APPROPRIATE US AGENCY AND GOI REVIEW BODIES BUT MANY HAD BEEN HELD UP SINCE JULY 1972 OR BEFORE PENDING FINAL MINISTRY OF FINANCE CLEARANCE. THE MOF HAS NOW INDICATED VERBALLY TO EMBASSY OFFICIALS THAT THESE PROJECTS WILL BE APPROVED FOR PAYMENT WHEN THE RUPEE AGREEMENT IS SIGNED. THE TARGET DATE NOW FOR FORMAL SIGNING OF THE AGREEMENT IS FEBRUARY 18.

3. CONVERSATIONS OF EMBASSY SCI OFFICERS WITH GOI OFFICIALS AND SCIENCE ADMINISTRATORS IN THE PAST FEW WEEKS REVEAL THAT SFC PROJECTS PREVIOUSLY APPROVED BY THE GOI AND UNDER REVIEW IN THE US PROBABLY WILL BE CLEARED FOR PAYMENT IF STILL RELEVANT AND IF SELECTED FOR SUPPORT BY US AGENCIES. THIS WOULD INCLUDE APPROXIMATELY 110 PROPOSALS TRANSMITTED FROM THE EMBASSY TO US AGENCIES OVER THE PAST SEVERAL YEARS FOR REVIEW AND APPROVAL AND NOT YET ACTED UPON. A LIST OF THESE PROJECTS WILL FOLLOW BY AIRGRAM. WE DO NOT HAVE RECORDS OF PROPOSALS SENT TO US AGENCIES BEFORE 1969 BUT MOST OF THESE WOULD NOT NOW BE RELEVANT.

4. IN VIEW OF THESE EVENTS, SCIATT SUGGESTS US AGENCIES REVIEW GOI APPROVED PROJECTS ON HAND AND NOTIFY THE EMBASSY OF THE ONES THEY WOULD CONTEMPLATE SUPPORTING.

5. GOI OFFICIALS SUCH AS NAYUDAMMA, DIRECTOR GENERAL, COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH, RAMACHANDRAN, SECRETARY, MINISTRY OF SCIENCE AND TECHNOLOGY, SHRIVASTAV, DIRECTOR GENERAL HEALTH SERVICES AND GOPALAN, DIRECTOR-GENERAL, INDIAN COUNCIL OF MEDICAL RESEARCH HAVE RECENTLY STATED TO EMB. SCI OFFICERS, VISITING US AGENCY TEAMS AND INDIVIDUAL US SCIENTISTS THAT BECAUSE OF THE POSITIVE AND FRIENDLY ATTITUDES OF BOTH GOVERNMENTS TOWARD COOPERATION, THEY WERE ENTHUSIASTIC ABOUT PROSPECTS OF US COLLABORATION IN MUTUALLY SELECTED RESEARCH AREAS AND ARE ANXIOUS TO MOVE AHEAD.  
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